

AMENDED IN ASSEMBLY AUGUST 27, 1996

AMENDED IN ASSEMBLY JUNE 17, 1996

**SENATE BILL**

**No. 1420**

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**Introduced by ~~Senator Kopp~~ Senators *Kopp and Costa***

January 23, 1996

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An act to add Division 19.5 (commencing with Section 185000) to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1420, as amended, Kopp. Transportation: High-Speed Rail Act.

Existing law provides for the funding and regulation of rail transportation. An existing Intercity High-Speed Rail Commission was created in 1993 to conduct studies and to prepare a high-speed rail plan for the state.

This bill would create the High-Speed Rail Authority in state government. The bill would prescribe the membership of the authority, and provide for the compensation of members. The bill would require the authority to direct the development and implementation of intercity high-speed rail service that is fully coordinated with other public transportation services. The authority would be required to prepare a plan for the construction and operation of a high-speed train network for the state, consistent with and continuing the work of the Intercity High-Speed Rail Commission, and to submit that plan to the Legislature and the Governor, or to the voters of the state, for approval, *except as specified. The bill would terminate the authority on*

*December 31, 2000, unless that plan has been so approved by that date.* The bill would prescribe various powers of the authority relative to planning, contracting for the construction of, financing, and operating, a high-speed rail system.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Division 19.5 (commencing with  
2 Section 185000) is added to the Public Utilities Code, to  
3 read:

4  
5 DIVISION 19.5. CALIFORNIA HIGH-SPEED RAIL  
6 SERVICE

7  
8 CHAPTER 1. GENERAL PROVISIONS, FINDINGS, AND  
9 DEFINITIONS

10  
11 185000. This division shall be ~~known and may be cited~~  
12 *known, and may be cited*, as the California High-Speed  
13 Rail Act.

14 185010. The Legislature hereby finds and declares all  
15 of the following:

16 (a) California, over the past decades, has built an  
17 extensive network of freeways and airports to meet the  
18 state's growing transportation needs.

19 (b) These facilities are not adequate to meet the  
20 mobility needs of the current population.

21 (c) The population of the state and the travel demands  
22 of its citizens are expected to continue to grow at a rapid  
23 rate.

24 (d) The cost of expanding the current network of  
25 highways and airports fully to meet current and future  
26 transportation needs is prohibitive, and a total expansion  
27 strategy would be detrimental to air quality.

28 (e) Intercity rail service, when coordinated with  
29 urban transit and airports, is an efficient, practical, and

1 less polluting transportation mode that can fill the gap  
2 between future demand and present capacity.

3 (f) Advances in rail technology have allowed intercity  
4 rail systems in Europe and Japan to attain speeds of up to  
5 200 miles per hour and compete effectively with air travel  
6 for trips in the 200 to 500-mile range.

7 (g) Development of a high-speed rail system is a  
8 necessary and viable alternative to automobile and air  
9 travel in the state.

10 (h) In order for the state to have a comprehensive  
11 network of high-speed intercity rail systems by the year  
12 2020, it must begin preparation of a high-speed intercity  
13 rail plan similar to California's former freeway plan and  
14 designate an entity with stable and predictable funding  
15 sources to implement the plan.

16 (i) Utilizing existing human and manufacturing  
17 resources to build a large network of high-speed rail  
18 systems will generate jobs and economic growth for  
19 today's population and produce a transportation network  
20 for future generations.

21 (j) Upon confirmation of the need and costs by  
22 detailed studies, the private sector, together with the  
23 state, can build and operate new high-speed intercity rail  
24 systems utilizing private and public financing.

25 (k) The existing high-speed rail commission is  
26 completing its work and a successor authority to continue  
27 planning is necessary.

28 185012. As used in this division, unless the context  
29 requires otherwise, the following terms have the  
30 following meanings:

31 (a) "Authority" means the High-Speed Rail Authority.

32 (b) "Department" means the Department of  
33 Transportation.

34 (c) "High-speed rail" means intercity passenger rail  
35 service that utilizes an alignment and technology that  
36 makes it capable of sustained speeds of 200 miles per hour  
37 or greater.

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## CHAPTER 2. THE HIGH-SPEED RAIL AUTHORITY

185020. (a) There is in state government a High-Speed Rail Authority consisting of nine members.

(b) The authority is composed of nine members as follows:

(1) Five members appointed by the Governor.

(2) Two members appointed by the Senate Committee on Rules.

(3) Two members appointed by the Speaker of the Assembly.

(c) Members of the authority shall hold office for terms of four years. A vacancy shall be filled by the appointing power making the original appointment, by appointing a member to serve the remainder of the term.

(d) *(1) The authority shall be terminated on December 31, 2000, unless a financial plan for the implementation of a high-speed rail system has been approved by the Legislature by the enactment of a statute, or by the voters, pursuant to Section 185036, prior to that date.*

(2) If the authority exists after January 1, 2001, the appointing powers shall, by lot, select members' terms in such a way that new appointments are evenly staggered.

(e) Members of the authority are subject to the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).

(f) From among its members, the authority shall elect a chairperson, who shall preside at all meetings of the authority, and a vice chairperson to preside in the absence of the chairperson.

(g) Five members of the authority constitute a quorum for taking any action by the authority.

185022. (a) Each member of the authority shall receive compensation of one hundred dollars (\$100) for each day that the member is attending to the business of the authority, but shall not receive more than five hundred dollars (\$500) in any calendar month.

(b) Members of the authority shall be reimbursed for their actual travel expenses incurred in attending to the business of the authority.

185024. (a) The authority shall appoint an executive director, who shall serve at the pleasure of the authority, to administer the affairs of the authority as directed by the authority.

(b) The executive director is exempt from civil service and shall be paid a salary established by the authority and approved by the Department of Personnel Administration.

(c) The executive director may, as authorized by the authority, appoint necessary staff to carry out the provisions of this part.

### CHAPTER 3. RESPONSIBILITIES OF THE AUTHORITY

185030. The authority shall direct the development and implementation of intercity high-speed rail service that is fully integrated with the state's existing intercity rail and bus network, consisting of interlinked conventional and high-speed rail lines and associated feeder buses. The intercity network in turn shall be fully coordinated and connected with commuter rail lines and urban rail transit lines developed by local agencies, as well as other transit services, through the use of common station facilities whenever possible.

185032. The authority shall prepare a plan for the construction and operation of a high-speed train network for the state, consistent with and continuing the work of the Intercity High-Speed Rail Commission conducted prior to January 1, 1997. The plan, upon completion, shall be either submitted to the Legislature and the Governor for approval by the enactment of a statute or to the voters of the state for approval.

185034. The authority may do any of the following:

(1) Conduct engineering and other studies related to the selection and acquisition of rights-of-way and the selection of a franchisee, including, but not limited to,

1 environmental impact studies, socioeconomic impact  
2 studies, and financial feasibility studies.

3 (2) Evaluate alternative high-speed rail technologies,  
4 systems and operators, and select an appropriate  
5 high-speed rail system.

6 (3) Establish criteria for the award of a franchise.

7 (4) Accept grants, fees, and allocations from the state,  
8 from political subdivisions of the state or from the federal  
9 government, foreign governments, and private sources.

10 (5) Select a proposed franchisee, a proposed route,  
11 and proposed terminal sites.

12 (6) Enter into contracts with public and private  
13 entities for the preparation of the plan.

14 (7) Prepare a detailed financing plan, including any  
15 necessary taxes, fees, or bonds to pay for the construction  
16 of the high-speed train network.

17 (8) Develop a proposed high-speed rail financial plan,  
18 including necessary taxes, bonds, or both, or other  
19 indebtedness, and submit the plan to the Secretary of  
20 State for placement on the ballot at the November  
21 general election in 1998 or 2000. If a plan is submitted, the  
22 Secretary of State shall place it on the ballot *unless the the*  
23 *Secretary of the Business, Transportation and Housing*  
24 *Agency or the Director of Finance notifies the Secretary*  
25 *of State that the financial plan is not consistent with the*  
26 *state's transportation needs or the fiscal condition of the*  
27 *state.*

28 185036. Upon approval by the Legislature, by the  
29 enactment of a statute, or approval by the voters of a  
30 financial plan providing the necessary funding for the  
31 construction of a high-speed network, the authority may  
32 do any of the following:

33 (a) Enter into contracts with private or public entities  
34 for the design, construction and operation of high-speed  
35 trains. The contracts may be separated into individual  
36 tasks or segments or may include all tasks and segments,  
37 including a design-build or design-build-operate  
38 contract.

39 (b) Acquire rights-of-way through purchase or  
40 eminent domain.

- 1 (c) Issue debt, secured by pledges of state funds,  
2 federal grants, or project revenues. The pledge of state  
3 funds shall be limited to those funds expressly authorized  
4 by statute or voter-approved initiatives.
- 5 (d) Enter into cooperative or joint development  
6 agreements with local governments or private entities.
- 7 (e) Set fares and schedules.
- 8 (f) Relocate highways and utilities.

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